

Draft

Virginia Manufactured Housing Board
Minutes
November 20, 2003

Board Members Present: James W. Roncaglione, Chairman
Ava Lewis
William H. Moody
E. Thomas Satterwhite
William B. Toombs

Board Members Absent : Walter K. Hughes, Sr.
Michael C. Nickell
Roger L. Mitchell
Ida O. McPherson

Public Representatives : Ron Dunlap, Executive Director, VAMMHA

A. Call to Order/Roll Call/Determination of a Quorum.

The Virginia Manufactured Housing Board Meeting was called to order by Chairman Roncaglione at 10:03 a.m. The Roll Call was done by Curtis L. McIver, Secretary to the Board and a Quorum was present.

B. Approval of the Minutes.

Staff presented an amended draft of the minutes to reflect the determinations and votes by the Board on the agenda items from Millennium Homes and from the claim by Herbert Taylor. The revised Minutes were accepted as presented by a motion made by William H. Moody and second by William B. Toombs.

Chairman Roncaglione called the question for further discussion. Being none, Ayes carried the vote.

C. Public Comment.

Ron Dunlap addressed the Virginia Manufactured Housing Board concerning the problem the Virginia Manufactured Housing Board has had in the past in filling the manufacturing appointees by the Governor to the Board. The Virginia Manufactured Housing Board is set up to have two manufactured home manufacturers and two manufactured home retailers seated. According to the AG's staff, to serve on the Virginia Manufactured Housing Board, you must be a State of Virginia resident. This further reduces the possibility that two manufacturers home manufacturer in the State of Virginia are available. They are Commodore Homes and Fleetwood Homes. The Virginia Home Manufacturing Plant is producing primarily modulars and Mr. Mitchell lives in the State of North Carolina.

Ron Dunlap -- I spoke to my Board and was instructed to seek legislation this year as to the makeup of the Virginia Manufactured Housing Board in reducing it from two manufacturers to one and increasing it to three retailers. There still will be four industry representatives on the Board.

I would like this Board's approval to seek this type of legislation. I don't need an endorsement. I am asking for your agreement in seeking this type of legislation.

This action will be taken before the Director of the DHCD. No motion was necessary. The Virginia Manufactured Housing Board is in agreement.

On another note, a draft copy of the amendments to the Regulations will be pulled to be distributed to the new Board Members by the next meeting.

D. Committee Reports.

None.

E. Report of the Secretary.

1. Licenses and Recovery Fund Reports.

Cash balance in the Licensing Account as of November 19, 2003 is \$26,886.37. Cash balance in the Transaction Recovery Fund as of November 19, 2003 is \$841,607.42.

Currently licensed are nine brokers, 252 dealers, 53 manufacturers and 768 salespersons.

2. Coordination with the Department of Professional and Occupational Regulation.

DPOR is forwarding complaints on manufactured homes to DHCD. Staff has a meeting with Karen O'Neal, Administrator with DPOR on December 10th at 10:00 a.m. to compare the Board's hearing and disciplinary procedures for enhancement purposes.

F. Unfinished Business.

1. Hassell & Debra Underwood vs. Double D Homes (closed dealer).

This has been scheduled for an informal fact-finding conference. This will be handled in Marion, Virginia by Walter K. Hughes, Sr., Vice Chairman of the Board. A motion was made by William H. Moody and second by E. Thomas Satterwhite. Chairman Roncaglione called the question for discussion. Being no further discussion, the question was called and Aye's carried the vote.

2. Don Dye, Manor Mobile Mark, LLC (Formerly Double D. Homes owner).

Don Dye agreed to the fact-finding penalty of \$500. A Consent Order Number 2003-1 has been forward to Mr. Dye for his signature. If the order is not signed by the next Board meeting, Staff will ask Mr. Dye to appear before the entire Board for further disciplinary action. This was in the form of a motion by William H. Moody and second by E. Thomas Satterwhite.

Chairman Roncaglione called the question and Aye's carried the vote.

3. New Millennium, Millennium Homes Complaints.

The AG's office recommends the Board to make determination to review Renae Marshall's portion of the claim on the final order. The actual review will be scheduled for the Board's next meeting. This will allow enough time for notification to Ms. Marshall, her attorney and New Millennium that the case is going to be reviewed and they are to be present at the meeting of the Board.

Chairman Roncaglione – Is it the Board's desire to set aside the September 29, 2003, order for Renae Marshall "only"? Therefore, not affect any of the other final orders.

Response: Yes.

Ava Lewis – I make the motion.

William H. Toombs – Second.

Chairman Roncaglione – Is there any further discussion?

Response: Yes.

William H. Moody – Mr. Chairman, what is the amount previous approved for the Marshall claim?

Curtis L. McIver – The \$4,070. The estimate submitted by Renae Marshall was in the range of \$19,000 plus.

The Board's instructions to staff are to have a breakdown in the estimates for the Board's review. Staff is also to contact the manufacturer for verification and confirmation that he, the manufacturer, will make available the materials required for repair at the cost that he would have submitted in the estimate on repairs being done.

Chairman Roncaglione called the question and Aye's carried the vote.

4. Pending Items – Appeals filed to Circuit Court.

- a. Brenda Washington vs. Colonial Homes – A court hearing is scheduled for December 11, 2003.
- b. Ronald Morehart vs. Blairs Housing and Liberty Homes – in litigation proceedings.

- c. Christine White vs. Colonial Homes – in litigation proceedings.
- d. License application from John C. Witcher, Jr. – A Gem Homes – in litigation proceedings.
- e. John and Geraldine Brain vs. Manufactured Housing Board – in litigation proceedings.

5. Claims against Larry's Homes of Virginia, closed dealer locations.

The Board's instructions to staff are to close the file and remove it from the agenda. Staff sent several W-9's out to the claimant; however, none of the W-9's have been acknowledged.

6. Katherine Tarpley vs. Homes by Nelson, dealer & Clayton Homes, manufacturer.

Case closed. The carpet has been installed.

7. Catherine Portman vs. Colonial Homes.

Tabled until the next Board meeting. Ida O. McPherson conducted an informal fact-finding conference. The transcript came in; however, it needs to be sent to Mrs. McPherson for recommendations to the Board.

8. Brigette Bullock vs. American Homestar Corporation.

This complaint was submitted by C & K Homes, LaCrosse, VA on behalf of Ms. Bullock. According to the information submitted to the State Building Code Administrative Office by C & K Homes on February 25, 2003, the damage is attributed to American Homestar Homes. The items identified by C & K Homes are confirmed through an on-site investigation conducted on August 13, 2003. In addition, there are other areas that identify problems in the home that were not identified in the information from C & K Homes. It should also be noted that the stains in the carpet and the linoleum are present in other areas of the home as noted in the investigation report.

The complainant is to send two (2) estimates to staff for the Board's review and one of the estimates can certainly be from C & K Homes.

This has been tabled until the Board's next meeting.

9. Elizabeth Conn vs. Colonial Homes.

Ida O. McPherson conducted an informal fact-finding conference on October 28, 2003. The transcript came in this week and needs to be forwarded to Ms. McPherson for recommendation to the Board. This will be scheduled for the Board's next meeting.

10. Completed Agenda Items.

- a. Sylvia Powell-Terry – claim paid.
- b. Scott L. Cox vs. Pioneer Housing Systems – claim paid.

- c. Claims against Holiday Homes and Autumn Homes – all claims paid.
- d. Herbert Taylor vs. Old Dominion Manufactured Homes – claim paid.

G. New Business.

1. Richard and Lauri Adkins vs. Larry's Homes, Staunton location.

When this home was sold, Fleetwood put a 1/5 year warranty into existence. Structural items are warranty for 5 years and cosmetic is warranty for one year. A discussion was on whether this is a settling problem or a set-up problem. Could half of the home have settled at a greater or lesser rate than the other half of the home to cause this kind of damage? If damage occurred due to poor set-up, it would have been almost immediately. If half of the home is settling over a 4-year period, it is another concern.

From the photographs, separation from the marriage wall can be seen and this indicates that this is a set-up problem.

Chairman Roncaglione – Do I have a motion to send this case to the Board of Contractors because it is the determination of the Virginia Manufactured Housing Board that this problem is the result of set-up.

William H. Moody – So move.

Chairman Roncaglione – Is there a second?

E. Thomas Satterwhite – Second.

Chairman Roncaglione – Is there further discussion?

Response: No further discussion, Mr. Chairman.

Chairman Roncaglione – All of those in favor, say Aye.

Aye's carried the vote.

2. License Application from J. D. Chitwood, Jr., Southern Showcase Housing.

After careful review by the Board, a motion was made by William H. Moody and second by William H. Toombs to grant a license to J. D. Chitwood, with a one year probation.

Chairman Roncaglione – Is there further discussion?

Response: No.

Chairman Roncaglione – All of those in favor, say Aye. Aye's carried the vote.

3. Jimmy and Katie Jones vs. Basic Homes, Chesapeake, VA (closed dealership).

William H. Moody – I don't believe this is the Board's responsibility.

Chairman Roncaglione – Do any of you see any warranty that would cover this claim?

Response: No.

Chairman Roncaglione – May I have a motion to deny due to virtue of time, warranty and this Board is not responsible?

William H. Moody – So move.

E. Thomas Satterwhite – Second.

Chairman Roncaglione – Is there any further discussion?

Response: No further discussion.

Chairman Roncaglione – All of those in favor, say Aye. Aye's carried the vote.

H. Next Meeting Date and Location.

The next meeting of the Virginia Manufactured Housing Board is scheduled for Thursday, January 15, 2004, at the Department of Housing and Community Development, The Jackson Center, 501 N. 2nd Street, 1st Floor Board Room, Richmond, VA 23219. Telephone No. (804) 371-7160.

I. Adjournment.

The Virginia Manufactured Housing Board meeting adjourned at 2:00 p.m.